

SECOND REGULAR SESSION

# HOUSE BILL NO. 2268

## 97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE TORPEY.

6538H.01I

D. ADAM CRUMBLISS, Chief Clerk

### AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for companies with an employee stock ownership program.

*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be known as section 135.1790, to read as follows:

**135.1790. 1. As used in this section, the following terms mean:**

(1) "State tax liability", in the case of a business applicant, any liability incurred by such applicant under the provisions of chapters 143 and 147, excluding sections 143.191 to 143.265 and related provisions, and in the case of an individual applicant or employee, any liability incurred by such applicant or employee under the provisions of chapter 143, excluding sections 143.191 to 143.265 and related provisions;

(2) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265;

(3) "Taxpayer", any individual, partnership, limited liability company, or corporation as described in section 143.441 or 143.471 that is subject to the tax imposed in chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax liability in an amount equal to ten percent of the amount such taxpayer contributes to an employee stock ownership program.

3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the taxable year that the credit is claimed and such taxpayer shall not be allowed to claim a tax credit in excess of five hundred thousand

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 dollars per taxable year. However, any tax credit that cannot be claimed in the taxable  
19 year the contribution was made may be carried over to the next three succeeding taxable  
20 years until the full credit has been claimed.

21 4. The total amount of tax credits which may be authorized under this section in  
22 any calendar year shall not exceed ten million dollars.

23 5. Tax credits issued under the provisions of this section shall not be transferred,  
24 sold, or assigned.

25 6. The department of economic development shall promulgate rules to implement  
26 the provisions of this section. Any rule or portion of a rule, as that term is defined in  
27 section 536.010, that is created under the authority delegated in this section shall become  
28 effective only if it complies with and is subject to all of the provisions of chapter 536 and,  
29 if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of  
30 the powers vested with the general assembly under chapter 536 to review, to delay the  
31 effective date, or to disapprove and annul a rule are subsequently held unconstitutional,  
32 then the grant of rulemaking authority and any rule proposed or adopted after August 28,  
33 2014, shall be invalid and void.

34 7. In accordance with section 23.253 of the Missouri sunset act:

35 (1) The program authorized under this section shall automatically sunset six years  
36 after August 28, 2014, unless reauthorized by an act of the general assembly; and

37 (2) If such program is reauthorized, the program authorized under this section shall  
38 automatically sunset twelve years after the effective date of the reauthorization of this  
39 section; and

40 (3) This section shall terminate on September first of the calendar year immediately  
41 following the calendar year in which the program authorized under this section is sunset.

✓